Opening Statement The Honorable Roscoe G. Bartlett

COMMITTEE ON SCIENCE AND TECHNOLOGY Subcommittee on Energy and Environment U.S. House of Representatives

The Benefits and Challenges of Producing Liquid Fuel from Coal: The Role for Federal Research

September 5, 2007

There are a number of important national security and environmental considerations involved with coal-to-liquids technologies, including global peak oil, a topic I have discussed many times. This Committee and the full House have previously addressed the topic of coal-to-liquid (CTL) technologies on a number of occasions. I appreciate the opportunity to gather a summary of important actions to date into the record for this hearing.

In an effort to begin moving forward with research and development into using coal-to-liquids for energy Republicans in April of this year offered a Motion To Recommit to HR 363, the Sowing the Seeds Through Science and Engineering Research Act. This language authorized the Director of the Office of Science at the Department of Energy when carrying out a program to award grants to scientists and engineers at the early stage of their careers at institutions of higher education and research organizations to prioritize grants expanding domestic energy production and use through coal-to-liquids and advanced nuclear reprocessing. These grants were for up to 5 years and at least \$80,000 per year. This language was accepted and approved on the House floor by a vote of 264 to 154. HR 363 including this language went on to pass the House floor that day by a vote of 397-20. Furthermore, HR 2272, the 21st Century Competitiveness Act of 2007, which combined several Science and Technology competitiveness bills, including HR 363, passed the House floor under suspension of the rules and by voice vote.

At the appointment of conferees on H.R. 2272, the 21st Century Competitiveness Act of 2007, Ranking Member Hall offered a motion to instruct conferees asking that the managers on the part of the House at the conference on the bill be instructed to insist on the language prioritizing the early career grants to science and engineering researchers for the expansion of domestic energy production and use through coal-to-liquids technology and advanced nuclear reprocessing. This nonbinding motion passed the House floor by a vote of 258 to 167.

Just two days later when the conference report on H.R. 2272 came to the floor, with the coal-to-liquids language removed, a motion to recommit the conference report with instructions using the same language as the motion to instruct, which passed 258-167 just two days before, was voted down 199-227. In two days, months of House precedent was ignored. I am not sure why, but over 50 of my colleagues switched their vote. I am

grateful that today's hearing will allow us to examine and discuss the implications of federal support for research and development into the potential for domestic energy to be produced from coal-to-liquids.

In addition to the actions taken by the House, on June 20, 2007, a new congressionally mandated report from the National Research Council of the National Academies of Science was released. It recommends an increase of about \$144 million annually in new federal funding in a variety of areas to ensure that coal is mined efficiently, safely, and in an environmentally responsible manner. One of the areas the report recommended requires additional study is estimates of the amount, location, and quality of mineable coal. The report indicated that there is enough coal at current rates of production to meet anticipated needs through 2030, and probably enough for 100 years. However, the report concluded that it is not possible to confirm the often-quoted assertion based upon estimates from the mid-1970's that there is a sufficient supply for the next 250 years. This range of estimates from 100 years to 250 years is based upon current use rates. It does not take into account the increased use rate that would result from coal-to-liquids technologies. The report noted that actual usage rates of coal could vary considerably depending upon any regulatory carbon constraints imposed by federal legislation or international agreements.

I look forward to the testimony of today's witnesses about the pros and cons of proposals concerning the production of synthetic transportation fuels from coal and the appropriate role of federal government involvement in any such efforts.